THE DMC NEWS

DELOREAN CLUB INTERNATIONAL

Vol [illegible] No. 1 January/February 1982

INSIDE: Meet the New Publisher • Tech Topics • Book Reviews • Member Information

DeLorean In Receivership

THE KEYS ARE TURNED OVER TO THE BRITISH PARLIAMENT

They say it wasn't unexpected. And in these times of economic crisis, no one should be terribly surprised to read of yet another auto manufacturer experiencing financial woes. But the fact that the DeLorean Motor Company's Belfast assembly plant last week slipped into receivership to its largest investor -- the British government -- has created much speculation on the outcome of what may become a one-year old collector car.

As sales were sagging for the new sports coupe, DeLorean hoped to alleviate a cash crisis by culling another loan from the U.K., who had initially pumped $148 to $160-[illegible]illion into the DeLorean dream. The Brits had hoped the DMC factory location in Northern Ireland would boost that area's depressed economy. Yet earlier this year, DMC's factory layoffs affected 1,100 workers -- almost half their force.

The loan request was rather quickly turned down, and DMC's factory subsidiary (DeLorean Motor Cars, Ltd.) went into receivership in late February. John Z. DeLorean will need to raise about $30 to $50 million from private investors to buy it back. Until then, Mr. DeLorean remains a director in the company he founded.

DeLorean may not be the only candidate for ownership if the necessary funds can be raised; although he is, of course, the most likely. The receivers said they would consider selling the company to others who might raise the needed funds. It is expected that they will keep the factory open even if they are forced to secure short-term loans from the British government to do so.

Internal Pressures

Meanwhile, internal politics and administration changes have caused some bad press for the foundling company. Former executive William Haddad filed an $18-million lawsuit, charging the company with breach of employment contract, falsified information to the Securities and Exchange Commission, discrimination against Cath-

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the
DMC
News

DELOREAN CLUB INTERNATIONAL

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Your $25 annual membership dues bring you the following benefits:

- ✓ Our bi-monthly newsletter, the DMC NEWS.
- ✓ Communication with other Owners and Dealers.
- ✓ Technical Information.
- ✓ Classified Ads.
- ✓ Serial Number Registry Service.
- ✓ Membership Card.
- ✓ Social Events and Showings.
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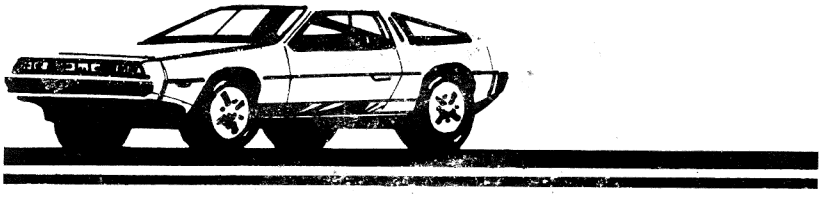
- ✓ Special Prices on Parts and Accessories.



PUBLISHER'S COMMENT

Meet The New P

As we start the 1982 issues, the *DMC News* passes into Volume 2. The publishing reins are also being passed on with this issue, from Francis Mandarano to myself. Francis has done a great job since founding the magazine back in 1980. We all owe him a vote of thanks for all the work he has done for the club. His influence will continue to be felt in the months to come as Francis continues in a consulting role.

I approach my new task with strong feelings about DeLoreans and with strong motivations to make this club even more successful. First, I am a life-long entrepreneur. As such, I admire the guts and determination shown by John Z. DeLorean in pioneering and developing his car company.

Second, I love fine automobiles and was more than happy to trade my BMW and a handsome premium over the list price to become one of the first car owners -- taking delivery of my car, no. 1216, on July 26, 1981.

Third, I want to protect my investment in my car and in this club by helping to promote the marque for years to come. Most importantly, I want to have fun. Great cars attract great people. I plan to meet many of you personally and to enjoy many activities together with you as our DeLorean Club International expands.

Sincerely,
THOMAS LEE WILSON
Publisher

Tom Wilson

Receivership...

continued from page 1

olic employees at the Belfast plant, and plans to "extort" more money fr[illegible] government. DeLorean, in a counter[illegible] [illegible]dad is engaged in a "smear campa[illegible] its owner.

[illegible]tives last month [illegible] some $800,000. [illegible]blic protest, [illegible] the House [illegible] that the [illegible] ava-gant [illegible]

Unki[illegible] DeLorean [illegible] pro-duction cu[illegible] pare their de[illegible], and claimed that the Thatcher government had "done every-thing to me except put me in a torture chamber in the bottom of one of those old castles."

[illegible] to a Good Start, But ...

With a backlog of orders, enough advance publicity launch a lead balloon, and celebrity investors like [illegible]nny Carson, the sale of the stainless steel coupe [illegible]ted off like thunder. The company projected production numbers to be 30,000 yearly.

But high interest rates and an afflicted economy has hurt auto sales in general, and "luxury" cars in particular. Only about 7,000 DeLorean coupes have been built to date and less than 4,000 have been sold.

It is the dealers who were the primary source of American investment dollars. Each dealer put in about $25,000 into the DeLorean dream, plus $19,000 in tools, parts and signs needed to market and service the car, officials said. While American investors stand to lose more than $15 million if the DeLorean Motor Co. goes out of business, they could recoup some of their [illegible]ses by selling leftover inventories of the company's sleek sports [illegible]

[illegible]king on the Bright Side

Despite the takeover, DMC officials and investors have [illegible]ght to paint a bright picture of the automaker's future. [illegible]tion "removed $130-million in debt from the corporate balance sheet," said officials of the U.S.-based DeLorean Motor Company (actually a sister company to the Belfast subsidiary). It was felt that the recent events in Belfast [illegible]uld not harm the U.S. operations at all.

In fact, it may help. Dealers are reporting a renewed interest in the sports coupe -- but sales are still slow.

While production continues under the direction of a board appointed by the receivers, DMC cars are still available to dealers in the U.S. Weekly production figures have dropped from 400 to 140 cars, but this appears to be adequate to fill orders.

Some dealers, at least, are maintaining an optimistic viewpoint. Ron Tonkin, a DeLorean dealer in Portland, takes some relief in the fact that it took Mercedes five years to reach the sales levels of the year-old DeLorean -- BMW 11 years, Porsche 13 years and Jaguar 17 years.

J. Bruce McWilliams, who recently replaced C. Richard Brown as head of the U.S. sales arm, is also optimistic. "There is no question about the company's ability to survive if we can secure additional financing, and that's looking better lately."

Although the latest statistics show that DeLorean outsold Porsche in 10 states, about 2,000 unsold cars are currently tied up at port by a temporary court order preventing the company from delivering the vehicles to dealers. And facilities in Atlanta and Troy, Michigan have been closed. Approximately 100 U.S. employees have been laid off.

McWilliams feels the bad press the company has been receiving lately is partly to blame for their problems. "We must turn around the public image of the company if we're going to sell cars."

BOOK BIN

As a regular feature, we will list books highly recommended for DeLorean enthusiasts and available from D.C.I. A 10% discount on the retail price listed is offered to D.C.I. members only. Phone or mail orders are welcomed. Mastercard and Visa accepted.

ON A CLEAR DAY YOU CAN SEE GENERAL MOTORS
J. Patrick Wright $12.95

The book that shook the ivory towers in Detroit. This is not only the best way to find out what makes DeLorean tick, it is also a fascinating expose of corporate power in America. Possible illegal payoffs, questionable designs and colossal management blunders are some of the secrets DeLorean reveals from his 17 years at GM and his short residency on the "Fourteenth Floor." DeLorean later tried to prevent the book's publication due to possible repercussions for his new car company. Definitely recommended reading. 240 pages, 12 illustrations.

DESIGN GIUGIARO Edited by C. Gardini & M. Bugli $59.95

The man who brought life to the DeLorean dream is one of the hottest auto designers in the world. This beautiful hardbound book is a thorough portfolio of Giorgetto Giugiaro and his extensive creations -- including some of the more popular cars on the road today. Text in both English and Italian. 143 pages, 263 illustrations.

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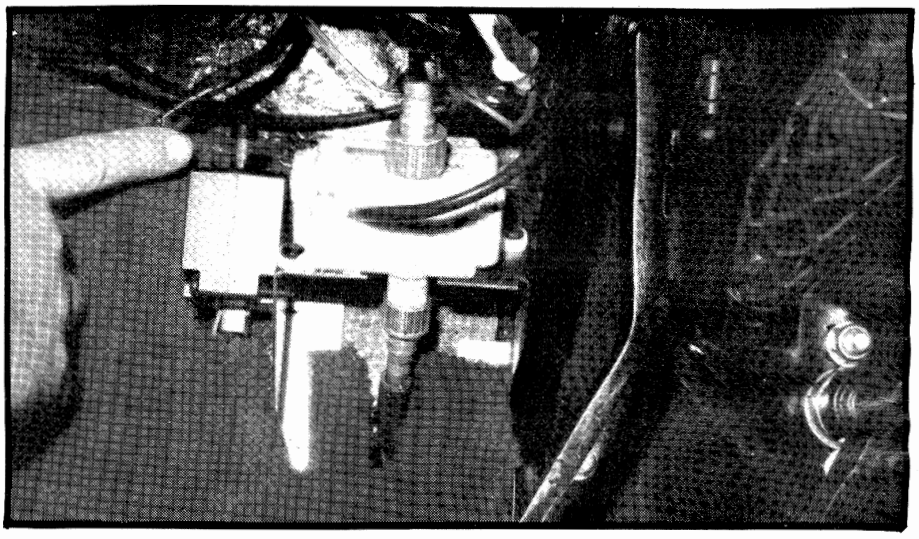
TECH TOPIC #101

Possibly the most disconcerting ailment that can strike any car is the "Instant Death Syndrome" that occurs just when you least expect it and when everything has been running great.

I would like to introduce our new TECH TOPICS series with this tip about a problem that happened to me late one night on a trip to the post office.

Instant Death Syndrome



As I was getting out of my "Silver D" to mail my letter, the engine suddenly quit running and would not restart. Instant Death Syndrome had struck As usual for this ailment, it was pitch dark, raining, and I was already late for a date with a pretty lady.

Fortunately, a clue to the cause was close at hand -- or I should say, foot. As I rushed to mail my letter, my foot had caught on the edge of the clutch pedal, slipped off and kicked the floorboard very hard. Maybe I had snagged a vital wire or something, I thought.

As I groped around in the dark, I felt a small cube about 3 inches on each side attached to the bracket that holds the speedometer gear box (see photo). On the top of this box, I felt a plunger. I pulled it up about an inch and pushed it back down. "Instant Death" was instantly fixed.

Later, questions to my dealership mechanic revealed that this little black box device is known as an *Inertia Switch.* On your DeLorean, it shuts off power to the ignition circuit, the electric fuel pump and releases the door locks.

If there is a strong impact to the front of the vehicle, the switch is automatically activated. In a rollover, the plunger comes out when it is upside down and activates the switch. Or, as I found, if you accidentally kick the box, your car thinks you are in danger and activates the shutoff.

In all cases, it is reset by lifting the plunger fully upward and pushing it back down fully into the box – thereby curing the "Instant Death Syndrome."

– *Tom Wilson*

PLEASE WRITE US WITH YOUR OWN TECH TOPIC OR QUESTIONS YOU WOULD LIKE ANSWERED IN THIS COLUMN.

Take Notice ...

NEW! REGISTRY SERVICE for DE LOREANS

D.C.I. is proud to present a new serial number registry service for all DeLorean cars and parts. Members may look forward to the next issue detailing the concept and its FREE service to D.C.I. members. We are anxious to initiate this necessary and long-awaited program and look forward to your participation.

ATTENTION . . . FOUNDING MEMBERS

The Founder Member registry closed December 31, 1981. Special benefits for our "founding fathers" will be on the future agenda. Details will be mailed to you shortly.

SIDE MIRRORS

D.C.I. members are ever on the watch for aids to overcome the blind spots inherent on their DeLoreans. Dr. George Z. Heimbach recommends a wedge-shaped convex mirror on the market, that can be attached to the side mirrors. "Although not designed for the right side, they work there well also," says Heimbach. The MINI-MIRROR is available for $6.95 (plus $1 shipping/handling charge) from M & M Enterprises, P.O. Box 1451, Hartford, CT, 06144-1451.

ON THE CIRCUIT

- International Grand Prix Race: Ile of Notre Dame, Montreal, Canada, June 10-13.

- Les Mans Grand Prix Race: Paris, France, June 16-23.

MEMBERSHIP APPLICATION

Please enroll me in the DeLorean Club International, and

Enter my subscription to the DMC NEWS for _____ years at $25.00 per year.

NAME _____

STREET _____

CITY _____

STATE _____ **ZIP** _____

☐ DeLorean Owner?
☐ DeLorean Mechanic?
☐ DeLorean Dealer?
☐ Enthusiast?

☐ *New Member* ☐ *Renewal* ☐ *Cash or check enclosed for $* _____

☐ *Visa or* ☐ *Mastercard* Number _____ Expires _____

	Make	Model	Year	Serial Number
Car 1				
Car 2				
Car 3				

MAIL TO: *D.C.I., P.O. Box 23040, Seattle, Washington 98102-0340, U.S.A.*

February 1982

more NEW MEMBERS

CHERYL ALLISON
Brownwood, TX

JAMES A. ANTHONY, JR.
Miami, FL

JACK BAKER
Cumberland, WI

JOHN BALDERSTON
Irvine, CA

WILLIAM D. BIASI
Staton Island, NY

SAMMY & CAROLYN CACCIATORE
Indian Harbour Beach, FL

PAT CANAL
Hammond, LA

GARY CATELLA
Chagrin Falls, OH

RICHARD & ANNE CHESLOCK
Wrightstown, NJ

HARRY DAWSON, JR.
Rome, GA

SALVATORE DE CRISTOFARO
Philadelphia, PA

BIAGIO DE SIMONE
Penndel, PA

RICK DOANS
Oxford, OH

CHARLES EACRET
Indianapolis, IN

EVERETT FORMAN
Ballston Lake, NY

ADAM FREEMAN
Wilton, CT

CLIFFORD FURMAN
Dumfries, VA

PETER C. GARDEN
New City, NY

JAY HERGOTT
Chicago, IL

SOL ISRAEL
Montreal, Quebec, Canada

JOANNE DAVIS JONES
Lafayette, LA

BEN KING
Jeddah, Saudi Arabia

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RONALD KLIMES
York, PA

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Fort Plain, NY

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PETER OLEND
Westwood, CA

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A. J. POPE
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CLASSIFIEDS

D.C.I. Members receive one free classified ad per issue. Contact our office for non-member rates. Classifieds must be DeLorean-related.

CARS FOR SALE

'81 DE LOREAN Automatic, 4300 miles. $24,500. Ed, (206) 283-1390, 362-6035.

'81 DE LOREAN $27,000. 2,000 miles. (702) 825-2967, days; 827-4494, evenings.

ENJOY YOUR INVESTMENT. '81 DE LOREAN. Save $3 on Better than New. 5,000 miles, 5-speed. Assumable lease. Must sell. (206) 232-7821, 743-2526.

PARTS FOR SALE

CRASH PARTS New left and right front fenders, windshield with radio antenna, radiator, front grille, tail lights. Write for quotation on your needs. Silver Gull Service, P.O. Box 88534, Tukwila, WA 98188.

PARTS WANTED

WRECKS WANTED DeLorean insurance salvage bought. Call or write with photos for bid. Contact Tom Wilson at D.C.I. office, (206) 324-6569.

ALSO, CARS WANTED • ACCESSORIES • REPAIR SERVICES